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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/805,063	03/19/2004	William P. Henson	0516625.0101	7919

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EXAMINER	
KESACK, DANIEL	

ART UNIT	PAPER NUMBER
3691	

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03/21/2008	PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No.	Applicant(s)	
	10/805,063	HENSON ET AL.	
	Examiner	Art Unit	
	Daniel Kesack	3691	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE *3* MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *03 January 2008*.

2a)☐ This action is **FINAL**. 2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-7,25,26 and 30-32* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-7,25,26 and 30-32* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on January 3, 2008 has been entered.

Status of Claims

2. Claims 1-7, 25, 26, and 30-32 are currently pending.

Claim Objections

3. Claims 1, 25, and 32 are objected to because of the following informalities: The use of the parenthetical expression is generally not proper, because it is not clear if the phrase is offered as an example, as a definition, as an alternative, etc. Assuming such

language appropriately encompasses Applicant's intended recitation, Examiner respectfully suggests the claim language, "receiving a revenue share interest for a predetermined period of time, wherein the revenue share interest is a predefined share of the revenue of the asset management firm;" Appropriate correction is required.

Claim Rejections - 35 USC § 112

4. The following is a quotation of the second paragraph of 35 U.S.C. 112:

> The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

5. Claims 1, 2, 4-7, 25, and 32 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

Claims 1, 2, 25, 32, it is not clear who is performing the steps of the method. Specifically, it is unclear whether the limitations apply to a single investment made by a financer, or whether the method limits all financing received by the asset management firm. It is not clear if the steps are performed individually by each financer, or if the steps are conducted between the asset management firm and the "financers" as a whole (i.e., "no ownership interest in the asset management firm is received" from anyone? or only from the financer who negotiated the terms?). Furthermore it is unclear by whom "no debt is used", and whether this applies to a single financer, or all the

financing received by the asset management firm. Regarding claim 2, it is unclear who is evaluating the revenue share interest.

Claim 4, the claim fails to further limit the parent claim. The claim recites “upon termination of the revenue share interest…” while the independent claim from which it depends does not have a termination step. Therefore, it is unclear how the step of claim 4 further limits independent claim 1. Examiner respectfully suggests the addition of a termination step into independent claim 1, or dependant claim 4.

Claims 5, 6, the claim language "revenue targets" lacks antecedent basis in claim 1, from which the claims depend.

Claims 5, 7, 32, the claim language includes both "term" and "terms," which renders the claims indefinite. Specifically, claim 1 recites a “term of the revenue share interest”, as well as “terms for obtaining a revenue share interest”. Dependent claims 5 and 7 recite “extending the term”, “reducing the term”, and “changing the term", and it is not clear whether the "term" is a time span, or whether it may be any provision of an agreement. According, claim 32 incorporates all of these features, and is considered indefinite for similar reasons.

Claim Rejections - 35 USC § 102

6. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –
>
> (e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

7. Claims 1, 3, 25, 26, 30, and 31 are rejected under 35 U.S.C. 102(e) as being anticipated by Hoffman, U.S. Patent No. 6,253,191.

Claim 1, 25, Hoffman discloses a system and method for investing in a project, comprising:

terms for obtaining a revenue share interest in the asset management firm (column 5 lines 29-35, column 11 lines 54-57);

providing financing to the asset management firm (column 5 lines 19-22, 30-32);

receiving a predefined share of revenue of the asset management firm for a predetermined period of time (column 5 lines 33-34, column 11 lines 3-10),

wherein, no ownership interest in the asset management firm is received during the term of the revenue share interest, and no debt is used (column 5 line 64 – column 6 line 8).

The rejection of a previous Office Action stating the “negotiation” step was not supported in Applicant’s specification was countered by Applicant by showing that according to the specification, the terms of the revenue share my have a number of different values, and negotiations are inherent whenever there is an “optionality” of terms relating to an agreement between parties. Accordingly, while Hoffman fails to explicitly teach negotiating terms, according to Applicant’s own admission, negotiation is inherently because the terms of the agreement have an “optionality," i.e., the terms can have multiple values. The optionality of the Hoffman terms is described at least at column 5, lines 28-35 and column 11 lines 54-57.

Furthermore, while Hoffman fails to explicitly teach a "predetermined period of time", a predetermined period of time, as described in Applicant’s specification, is inherent in any contract or agreement. The specification details the length of the agreement could be "expiring or perpetual" (paragraph 29). All contracts and agreements must necessarily be "expiring or perpetual" because there is no other possibility. Furthermore, Examiner considers both "expiring" and "perpetual" to be "periods of time". Therefore, Hoffman inherently teaches the claim limitation.

Claim 3, Hoffman teaches the financing is provided to the asset management firm in connection with a capital need (abstract).

Claim 26, Hoffman teaches the business is a special purpose vehicle, which provides funding (financial service) to Brownfields projects, and therefore is considered a financial services firm.

Claims 30, 31, Hoffman teaches the terms are the amount of capital to be provided (column 5 lines 30-31).

Claim Rejections - 35 USC § 103

8. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

9. The factual inquiries set forth in *Graham* **v.** *John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

10. Claim 4 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hoffman.

Hoffman fails to teach upon termination of the revenue share interest, converting the revenue share interest to an ownership interest in the asset management firm, callable by the asset management firm.

In the Office Action dated February 26, 2007, Examiner took Official Notice that the practice of converting a non-ownership interest into an ownership interest, such as equity ownership, callable by the organization is old and well known in the art. Since Applicant failed to adequately challenge the assertion, the statement is taken to be admitted prior art. It would have been obvious to one of ordinary skill in the art at the time of Applicant's invention to include such a feature in the invention of Hoffman because it would provide an additional incentive for an investor to partake in a riskier situation in exchange for the possibility of obtaining ownership stake at some point in the future. Such a feature would be especially useful in the field of Brownfield project investment because investors do not want ownership during the construction phase while liability is high, but may desire such ownership in the future once the risks involved with the development of a Brownfield have subsided.

11. Claim 2 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hoffman, in view of Adams, U.S. Patent No. 6,154,730.

Hoffman fails to teach evaluating the revenue share interest at least in part using a probabilistic model.

Adams discloses a system for generating financing for construction of a facility, wherein an investor receives a predefined revenue share from tickets sold as a result of

the facility construction, wherein an investor evaluates the revenue share at least in part using a probabilistic model (column 1 lines 45-51), and wherein the construction is considered a capital need of the owners of the facility. It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to modify the teachings of Hoffmann to include the evaluation feature of Adams because an investor would want to perform an evaluation to determine the risk that the revenue share would be profitable enough to cover the investment.

12. Claims 5-7 are rejected under 35 U.S.C. 103(a) as being unpatentable over Hoffman, U.S. Patent No. 6,253,191, in view of Oyama, U.S. Patent Application Publication No. 2006/0149562.

Hoffman fails to teach changing the term or the amount of the revenue share interest based on revenue targets.

Oyama teaches a business investment method wherein an investor provides an capital investment to a fund which services a business or project, and the investor receives dividends, which repay the investor for the investment. Oyama teaches extending the term of the contract in order to increase the dividends received when it is impossible to achieve a target profit (paragraph 33), and ending the term of the contract immediately when a target profit is acquired, thus decreasing the amount of dividends which would have otherwise been received (paragraph 34), which Examiner equates to shortening the term and decreasing the amount of revenue share interest when a revenue target is exceeded. Furthermore, either of these cases is considered changing

a term based on a comparison of actual performance to a quantitative target level. It would have been obvious to one of ordinary skill in the art at the time of the Applicant's invention to modify the teachings of Hoffman to include the contract adjustment features of Oyama because the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

13. Claim 32 is rejected under 35 U.S.C. 103(a) as being unpatentable over Hoffman and Oyama as applied to claims 1, 4-7 above, and further in view of Adams.

Hoffmann and Oyama fail to teach evaluating the revenue share interest at least in part using a probabilistic model.

Adams teaches this limitation substantially as claimed (see rejection of claim 2). It would have been obvious to one of ordinary skill in the art at the time of the applicant's invention to modify the teachings of Hoffmann and Oyama to include the evaluation feature of Adams because an investor would want to perform an evaluation to determine the risk that the revenue share would be profitable enough to cover the investment.

Response to Arguments

14. Applicant's arguments with respect to claims 1-7, 25, 26, 30, and 31 have been considered but are moot in view of the new grounds of rejection.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Daniel Kesack whose telephone number is (571)272-5882. The examiner can normally be reached on M-F, 9:00am-5:00pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Alexander Kalinowski can be reached on 571-272-6771. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Respectfully Submitted,

Daniel Kesack
March 10, 2008
/D. K./
Examiner, Art Unit 3691

/Hani M. Kazimi/
Primary Examiner, Art Unit 3691